

**TRANSCRIPT OF COMMENTS RECEIVED AT WORKSHOP NO. 4  
MAY 23, 2002, MARGARET TODD SENIOR CENTER, NOVATO, CA**

000(Tom Jacobsen Intro)

062 (Introductions – each person stated name and, if applicable, affiliation.)

Note: Numbers to left indicate tape stops.

100 David Keller: Is there, within the considerations of the WAC and as this is evolving, a proposal for how this contract would relate to the Water Policy statement that is being drafted and the General Plan water supply component that is being drafted? Is there communication, some trading of notes that is privy to the rest of us?

107 Miles Ferris: As chairman of the WAC, as far as I'm concerned the water policy has nothing to do with it until we see the biological opinion. There is a Section 7 consultation process underway with the Corp. and Nat'l Marine Fisheries. Out of that process will come a series of recommendations and some things we will have to do different than we do now. Whatever that action is, it's in the biological opinion, and the first thing that is done this year is the biological assessment, which comes out in July or August. At the end of the year the biological is hoped for. That to me is the key issue that we really work off of.

121 David Keller: And the County General Plan component on water supply?

124 Miles Ferris: That is their general plan, and again the real issue with the contractors is the biological opinion and what has to be done; that is the key issue.

126 David Keller: And just to clarify, that the biological opinion, the Section 7 consultation, for Lake Sonoma and withdrawals from there, as opposed to the Section 7 consultation with PG&E over the Potter Valley project?

128 Miles Ferris: This only deals with the SCWA's Section 7 and their operations on the Russian River.

131 Lee Harry: A comment on the general plan stuff- I think they are developing a water resources task subgroup, which I think will handle a lot of issues besides water supply that we rely on from the Russian River.

139 Brenda Adelman: I'm concerned that there are other things going on. I have been attending the water resources meetings and with the exception of one meeting, where the Agency made a presentation, I have not seen any current involvement with that. On another issue, I'm concerned because I was at the State Board this morning and the Agency opposed the listing of the Russian River as impaired for temperature, even though NMFS had written a very strong letter saying there was evidence to show impairment for temperature. It feels like the left hand doesn't know what the right is doing.

154 Ned Orrett: This comes up under conservation, item number II E, "Create a separate charge and fund for conservation programs," and then it sort of leaps down to section IIIX items X and Y, there is a suggestion that there is a provision for issuance of debt to fund major elements of water supply, recycled water, or groundwater rehabilitation. I suggest there is consideration to providing issuance of debt for large efficiency programs.

166 Pam Torliatt: I believe at the last WAC meeting we discussed a matrix that was going to include responses of how the WAC was going to deal with the List of 56 and I don't see that attached to this document. I see how many people voted on certain issues from the public but I thought we had directed that we were going to have specific responses to the 56, that they would be in the master agreement, be

dealt with at subcommittee level, not be dealt with, be dealt with by other agencies. I'm lacking information I thought was supposed to be here.

180 Chris DeGabriele: At our meeting in the end of April, we discussed the List of 56 and the water policy, we did not go through and develop that matrix that was our subcommittee charged to do that. Instead, we came up with that key of cross-references. That is the mechanism used to follow how the List of 56 is incorporated into the framework issues, however we did not go back and complete that task of making the matrix. Certainly the subcommittee could go ahead and do that. I didn't feel comfortable doing that on my own without having WAC input, or even the subcommittee looking at that as to what was supposed to be included in the agreement, what was local policy, regional determination, and what wasn't even appropriate for the group.

197 Pam Torliatt: My interpretation of what happened at the last WAC meeting was that most of the contractors were not satisfied with the key because it was extremely confusing and we had directed that it be put into the matrix form to be more responsive directly to the 56 items. I don't agree with what your interpretation was, its clear that it wasn't done, but I didn't realize that that was direction of the WAC. I thought it was to put the matrix together.

207 Chris DeGabriele: I didn't feel that I had clear direction or authority to put the matrix together for the WAC.

209 Pam Torliatt: I didn't ask you. We were directing that John do it because John was not at the last WAC meeting.

210 Chris DeGabriele: I don't think that that came out of the subcommittee meeting and if that came out of the WAC meeting, then I'm mistaken, and responsible for not having that information. All of the List of 56 and the other issues that have come up are reflected in the framework issues in parenthesis at the end of each issue.

220 Joe Gaffney: I wanted to respond to Mr. Orrett's comments about the use of bond financing to finance conservation programs. Conservation programs are generally incremental that can be funded with the water conservation funds that the Agency provides to each contractor, or even the utilities own enterprise fund; whereas transmission system and recycled water projects are large capital projects that require a large amount of money at the beginning. That is where bond financing is better utilized.

237 Ned Orrett: I'm thinking of much larger conservation programs. It gets problematic when you have to go to the ratepayers every year for money. These are things that go beyond the BMPs and require substantial money. This discussion might be better had when there is an actual project to focus on.

248 Terence Garvey: I've noticed there has been a number of studies on the amount of water used by various agencies. It seems that John did one based on separate households, single family detached home.

266 John Nelson: Per capita use is based on the reported consumption for single family homes in each of the contractor service areas.

273 Terence Garvey: I bring this up because the SCWA in their urban water supply attacked it from a different standpoint. They took total water use and when you divide that by the number of people in the area, there is a much higher water use in the cities than in the single family detached homes. This offers quite a study in where conservation can be affected very well. I think the Agency and John should get together to make sure they are talking about the same thing, and we'll see the opportunities for conservation. We need accurate figures. I would advise a joint study to correlate these figures. I was here earlier advising the Petaluma City Council that if you took out the industrial, institutional and government, there per

capita water use was 174 gallons per capita per day, whereas for a single family detached home, in the study John has, its 128.

Another item regarding conservation is Petaluma is proceeding with reuse of water. At the present time, I believe most of the reused water is being reused on farmland and the water they use for the city must take away from the farmland, not affecting any greater conservation. Before a city like Petaluma can conserve anymore water, the bulk of the water for reuse goes into the river, and in order to use that for recycling tremendous storage facilities are needed, which have proved almost financially impossible. It would be a good idea, in order of magnitude to get an idea of how much it costs per hundred gallons or acre-feet of water for conservation as opposed to just plain conservation of existing water supplies.

323 John Nelson: That per capita bears some explanation. There was a handout at the last WAC meeting showing per capita demand based on residential use, and the reason that didn't include total use, nor was it calculated on a total use basis, was that it was created in response to a concern by the WAC that demand hardening be dealt with in the new agreement. I felt we needed to get an early start on seeing what the per capita use on residential demand is, because we start there and add other information, micro-climates, etc. to get at this issue of demand hardening and how to deal with it during the time of rationing. It had a specific purpose.

340 Terence Garvey: I understand that. I'm saying the figures are showing a great opportunity for conservation, but we need to extend the studies further. Such as a per capita use for single family detached home. I believe just with figures I've heard for many years is about half the water goes for lawns and gardens. I don't know if that is correct. You would have a better feel than I would. But if that is true, this is really the place to start with conservation is getting Xeriscape landscaping. And if you could cut down from 128 to 64 by just different methods of planting at homes, you could double your population and still have sufficient supplies.

360 Chris DeGabriele - Terence, one of the things that the framework issues on conservation suggests is that the contractors look at conservation programs that go above and beyond the BMPs. That would be an area where that could occur such as John developed in North Marin Water District, the Cash for Grass program. You heard at the workshop in Sonoma, the "Dean of Cash for Grass", we won't let him forget that. There are other opportunities to try and take out the narrow turf strips between the sidewalk and the curb. Those are difficult to irrigate and those are areas that I think the framework issue can address. Another thing that came out of our discussions among the WAC in developing the framework issues was to create a standing committee within the WAC to promote these innovative conservation programs and to share that information and promote them among the contractors.

385 David Keller again, Tom, If I may continue on conservation - going back to the framework. I'm concerned about some of the language in AC@ that Chris just referred to: Where it says create a standing committee within WAC to promote innovation and provide planting guidance over site and coordination of conservation programs and initiatives. Replacing items 3, 5 and 6 and yet 3 as it had been written, and modified during the last workshops and which had included language that would "encourage and ensure provision of funds for innovative new water conservation strategies and a mechanism for funding successful programs including follow up of analysis" is effecting this. And while it's nice to promote innovation, that is language that can be weaseled out of any day of the week. Sure we're promoting innovation today. Is it getting us where we need to be? I don't think so and I think the broad consensus of contractors at this point and certainly water users is not going to carry us through the expansion of population and usage in the County and the service area unless we get a lot more aggressive about it. So, I'd like to see language that goes back more in line with what had been in ...this is on Attachment C, Changes and Additions List of 56 as recommended by public from Workshop #3, Item #3 that "ensures" provision of funds for these kind of activities including conservation as Ned Orrett was mentioning, efficiency programs. Likewise, the parenthetical note under Conservation regarding Item #8

WAC believes conservation targets should not be part of agreement but be flexible and response to evolving and accelerated conservation efforts.

Beginning of tape 2

Again that's good, however, I would like to see inclusion in here of a provision for setting periodic targets. Targets, if the contractors don't feel they should be part of the agreement itself, that there is a provision on an annual or semi-annual basis or bi-annual basis to set periodic targeted objectives based on the current Best Management Plans plus other research in the field that allows us to proceed. Again, without targeted objectives it's very easy to say well we're doing better but is it enough, well, and how do we get there. How do we leverage people to actually design the system, deal with the uses of the water, and the avoided uses of the water to actually get to some place that is meaningful. And if we set up a procedure and a mandate that every year or every other year there would be forward looking target of objectives, I think that would help us get there. So, I'm concerned right now that the language in Section 2 is getting a little too fuzzy.

29: Tom Jacobsen: Just as a logistical matter. David was just referring to Attachment C and Attachment C relates then to the List of 56...we have additional copies in the back table if you would like a copy, they are back there.

32 Matt Mullen, Town of Windsor: Following up on the comment Chris DeGabriele from North Marin mentioned earlier about whether it's a standing subcommittee or some other vehicle through the WAC to consider innovative ways for recycled water and other types of conservation programs I think is a good approach. Because what I've just heard with Mr. Keller and some other comments about recycled water being used to offset potable water, I'll give you an example...In Windsor we have a subdivision that's under construction right now. 25 homes are built and lived in and the front yards are being irrigated with recycled water. To get to that point, it took about five years of planning and a lot of creative sort of uses. There's no free lunch with that. Quite the opposite, compared to irrigating a golf course to offset potable water use or a school athletic field, economically it doesn't pencil to irrigate the front yards of residential subdivisions with recycled water. But to be innovative, you get out there and do that. The cost to monitor it, to do annual cross-connection surveys, to police runoff, to hold the hands of the homeowner to try to get them to realize what they're doing and operate within the restrictions, is very labor intensive which translates into costs. And so people need to understand that, yes, it can be done but there are cost implications associated with that which is reflected in users water rates and sewer rates. So the innovation is there what there has to be is some gauge or some willingness on the policy makers as well as ratepayers to accept the costs associated with that.

52 Tom Jacobsen: What else on that topic in particular before we move on to a new one. Miles?

53 Miles Ferris: You have to have a good tie to get first. That's all there is to it. One of the things I think that we also need to think about when you start looking at water conservation which is an often neglected fact is a thing called unaccounted for water, which can be leaks, it can be bad meters, it can be anything. And if you're going to look at costs, not only recycled water costs, the thing I'd like to look at first if I had a choice would be to look at unaccounted for water and that would be one of those primary things that I would drive down first. And what that really means is, not only do you have to spend money on leak detection and repair, but you're going to have to have a substantial amount of money put aside every year for water main replacement. In other words, out comes the old and in comes the new. And when you start that program, you sit there and make an estimate about what you're going to replace per year. You know, is it 1% which means 100 year life on the facility, is it 2% a 50 year life and when you start factoring those dollars back in, you just about doubled your water rates, is what it boils down to. So when we start talking about these things and where we're going to draw a line, the question is - is it better to have the BMPs, the 14 of them honored and paid for, or is it better to move on to other things. But if we move on to other

things, I think you've also got to honor the 14 BMPs. And that includes all these other issues. And I think for the managers that have done this, that's a huge dollar thing.

72 – Terence Garvey: I was just going to ask. You're the chief engineer of Windsor? Is that correct? You made the comments. You said that recycled water for family units doesn't pencil out. Do you have studies that you've made that point that out? 20 years ago I could have done that myself but I've been so far away from costs that I can't now. But it would be very good when we get at discussions about using recycled water to get into what the existing costs are. Because to take recycled water at least gives you a whole new water supply system plus the safety items and it would be very nice to know what kind of figure you came up per unit for the costs. So we can start thinking of maybe more conservation rather than recycled water. Another point about recycled water I ran into when I was serving as the Chief Engineer at Westland Water District is that when you get any water that comes from a sanitary system, you have viruses in there and you need to be very careful how you apply the water because the over spray can carry droplets off and people can ingest that into their lungs. And you'll play the very devil in getting approval from the Health Department for that.

91: Tom Jacobsen: David, did you have a follow up?

92: David Keller: Again, I think the points raised by Miles about the costs of using the recycled water are absolutely correct. The alternative, of course, is to keep developing new water sources and as we know that's not going to be possible at the same costs that we are doing now. In fact, the costs that we are using now have a number of hidden costs in them that are not on the ledger book so that I think in looking at the costs, the costs of using recycled versus what? Because that what is going to be increasingly both more expensive and also unavailable. So again it speaks to me to really need to try and put some teeth into the agreement that would obviously be negotiated on an annual or five year basis or whatever for targeted reductions but I think the contractors need to be able to assure their ratepayers that they are in fact doing the best practicable job of saving as much water, not using as much water that speaks to the efficiency as well as providing the best water possible at what's left, out of the pool of what's left. And, in that, again going back to the framework issues on Item D, including conservation requirements contained in the MOU, my question is that MOU is based on the impairment and are those conservation requirements are we intending then in this agreement that they go beyond the impairment when the impairment is finally lifted, assuming it is lifted. In other words, are those conservation requirements going to be continuing through the lift of this contract or are they dispensed with as soon as we get rid of the impairment?

113 Miles Ferris: I just wanted to respond to one thing on recycled water before we have heart attacks. First of all, current recycled water, if you're going to use it near population or fences within 100 or 200 feet or whatever it is, is less than the same biological standard as drinking water. We have to meet drinking water disinfection standards to use it. You will not get a health approval without doing so. So that means it's not secondary like it used to be, it's tertiary and it's a high level of disinfection, tertiary. So that's there. The other thing on costs are, to give you a handle. I looked at the southwest area of our City when it was being, before it became under development and I'm trying to remember the numbers but it was like - just the distribution pipe and that included no transmission piping, no pumping plants, no nothing, just pipe in the ground to serve the lots, it was like \$42 million, just for distribution piping. Then we calculated the probable small lot subdivision, the probable acreage that would irrigate, and it was something less than 100 acres, which is less than a standard golf course. So irrigating a golf course off the system is far more valuable, because we did Rohnert Park's golf course from our Plant and that was like \$3.5 million and now we're talking about \$42 million and we haven't even got a transmission line built. So when you get in to small lot subdivisions as Matt Mullan just said, its very expensive and the conditions that you have to honor from the Regional Board, who I think are somewhat anti-irrigation, is that zero runoff and all these things that if you have ever been in a subdivision there is no such thing. Every time there is one you're subject to a fine. We start talking about recycled water, you want to use it in places where professionals like landscapers and golf courses are going to use it if you are going to do it. So, in any kind of an agreement that I see, I think we

have to take those things into consideration. The other part is unaccounted for water which is nothing to do with recycled, that's maintaining a distribution system in pristine shape and that is expensive too. But it's different than the recycled. I hope that helps.

144 Lee Harry, Valley of the Moon Water District: In response to Mr. Keller's question about conservation continuing on, I think all of the contractors that I've talked to and all of the members of my governing body have indicated that conservation, as demand side management, is actually going to be put into the equation on the supply side and I think everybody is aware that we need to put conservation as an utmost priority in our new agreement, so I think that will happen David.

152 Pam Torliatt: Under IIX, Agreement Governance, item S, I would suggest that we have the policy body meet at least every other month. I would also give them the authority to have a project status check at those meetings, that they are to vote on significant projects that would move forward. I think that the agreement needs to spell out language quantifying the dollar amount of projects that need to be approved by the water contractors that the Agency is moving forward on, so that they are apprised of the projects that are moving forward and the potential cost. They need to, and I think it's an accountability factor for those policy makers since in turn their ratepayers are going to be paying for those improvements. I think the WAC needs to come to some dollar amount that is reasonable, I don't know one hundred thousand dollars of expenditure for certain projects so that we're apprised of what's going on.

175 David Keller: I appreciate, in the governance, the footnote regarding item 22, that WAC believes that the relatively recent practice of allowing anyone attending the WAC meeting the opportunity to be heard is very important. I would like to see within the agreement itself, however, a policy statement specifically supporting that so that future questions in 5 or 10 years, as this is being carried out, if there is an effort to shrink the awareness and attendance of other stakeholders in their participation that there is guiding information in the agreement right now that says we support that. So perhaps something that says it should be a policy of this agreement that there will be meaningful participation by stakeholders, which is necessary for our future water supply and quality insurance. So you build it in as a policy statement, its stated explicitly, it can be exercised as need be, to assure that participation leaves a great deal of flexibility, but sets it out as an objective. I think it would be very helpful for the folks in Mendocino and Humboldt counties as well as the other stakeholder to understand that by agreement the contractors want to see their participation. It will make it safer and more reasonable for all of us.

193 Mike Martini, Mayor of Santa Rosa: On the issue of governance, we need to be cautious that we don't lose site of the WAC in its advisory capacity. Each one of the contractors has the ability to appoint technical staff to the WAC, and it behooves each of the contractors to make sure the communication between that technical portion of it and the policy makers of the board is kept in tact. I don't believe that it's necessarily a product of the new agreement to ensure that. And so I'm very concerned that we start putting pieces of policy in there that mandate this communication when the very underlying communication should be the responsibility of the governing boards and their relationship with the technical staff that is working with the contractors. In terms of the number of times that the policy individuals, and I'm supportive of having policy individuals be involved with the Board of the Water Agency, however meeting more than even quarterly, at some point you end up mucking it up more than anything else. I would suggest to you that as a policy maker, you have the better opportunity for that input from your own constituents and those stakeholders at your own board meetings, and that we shouldn't be bogging down the WAC with more responsibility than it needs to be doing.

216 Tom Jacobsen: Any more on this topic?

218 David Keller: In response to Mike's comments, there are two very important functions that the WAC has to deal with, one is recommendations on policy and the other is implementation. One is the policy makers who are responsible to the stakeholders, to your ratepayers, to the general public and the other is the

engineers who have to figure out how to make the ship sail across the ocean so to speak, but the engineers are not the captain, nor are they the owners to the company. So I agree with Pam, maybe not every other month, but certainly at least on a quarterly basis the policy makers have to be involved in what direction various implementation strategies, policies, funding and decision-making is going on that is brought to the WAC. To depend upon a longer gap to be able to effectively steer what's going on is going to go back to where it used to be which is that the WAC wound up setting policy with Agency staff, and that of course ran into a number of problems as we all experienced. I think the more that elected officials are involved and reportable back to the people who voted them in office on their policy setting decisions, the safer and saner the operation rather than leaving surprises for the long term.

238 Mike Martini: Only because this is a dialog, I would disagree with you David, that every one of the agencies had problems with the existing system that was in place, and the responsibility is not the WAC's to fix that. It is the responsibility of the agencies, and we have these opportunities to work on the policy level at our own Boards, taking input from our constituents, ratepayers and stakeholders and sending through the kinds of policy to our technical staff to move these things forward. If we choose not to use that system, I'm not sure why we insist on blaming the WAC for doing it when it's our own situation.

249 David Keller: It's not blaming the WAC at all. The WAC is a forum through which these issues can be hashed through as you well know, running the water supply for this complex series of customers and suppliers and multi-level government agencies is not a straight forward business. There are cross interests. If there is a forum for those policy questions to be dealt with on a regular, face-to-face, equal footing basis, rather than each group having to deal with only agency staff or having to make telephone calls or back-door communications with other agencies to try to sort out how is this policy going to be implemented, what is this policy- it just makes it run that much easier. Acknowledged from an elected standpoint, it's a pain in the ass to have to go to another meeting, but given the magnitude and importance of this job, it's one that requires it, no less than going to SETA or the Air Board, or any other of the organizations that all our cities belong to. I think there have to be policy makers there.

272 Lee Harry: In regards to this issue on policy, everybody that I've talked to, all the contractors have favored having separate policy and technical meetings. However, we have to be aware that in the negotiation processes that are coming up, that really depends on the Board of Supervisors and how much of their time they are willing to devote to this process, given the myriad of other things that are on their plates. I think, as we get into the negotiations, we'd certainly like to have quarterly meetings if possible, maybe that's the frequency that will be agreed upon, but its really up to the governing board of the SCWA as far as giving us input on what they are willing to do in regards to that. I appreciate Mayor Martini's comments and I think it's a difficult thing getting the policy people together even on a quarterly basis and getting meaningful dialog.

288 Chris DeGabriele: I just wanted to say that I'm not a policy maker so I can't comment on that, but I would assume the policy makers are going to determine how frequently they want to meet. Secondly, just to touch David, on the comment about stakeholders in the open process and how the WAC works now. Recognize that this over arching provision states right up front " With ample opportunity from the public," and we wrestled with how to frame that and include it, but that's the over arching principle that will be there, and I wanted to point that out.

304 Pam Torliatt: I just wanted to clarify what I was saying regarding the policy makers meeting every other month, I mean the policy makers that are representatives of the WAC. I think that is potentially a separate meeting from a quarterly or semi-annual meeting with the Board of Supervisors because I think there are projects and policy decisions that occur at the WAC meetings that take time for the engineers to take back to their policy boards, get authorization, get on an agenda, move forward and if you had the policy makers there to give you direction if you have appointed members, it would be very helpful as folks have talked about SCTA and other bodies that we function here in the county.

323 Tom Jacobsen: Anyone else?

326 Mike Martini: Chris, I appreciate that the policy makers will set the policy. One of the things that you've got to be cautious about here is that the policy maker isn't necessarily able to make the policy within a vacuum and the policy maker, if he or she is smart, is going back to the entire Board and what I'm beginning to hear is that we're going to have this appointment that is going to meet on a regular basis as policy makers of just the Water Advisory Committee to have discussions and set policy. Well, as one policy maker, I'm not prepared to do that. I want to make sure that the policy that I'm bringing forward and in support of is supported by the entire Board which I am representing. So you can have all of these meetings, but you're still stuck with that same model in that you have got to give the opportunity to that agency to take public comment and develop the policy for that, transfer it, or instruct your technical staff to work on it. But then to turn around and ask that person to go to a meeting individually as things are going to come up, and ask you to comment on it is not fair to your agency as it is. And I'm very cautious about representing the City of Santa Rosa, and will only speak when directed to do so by the entire body. While I am very supportive of policy makers being involved as a conduit for information, we need to be cautious as to at what point the policy is being made. And the policy needs to be made when all of the policy makers for that agency or jurisdiction are present.

360 David Keller: Mike, I agree with you completely. It's no different than the way, and no less important that the way, say SCTA operates, where there are policy makers setting policy, in that case every month, in addition to a technical advisory committee, in addition to a CAC. Water is no less important than transportation for the future health and economy of the North Bay. And I think it merits that level of discussion by policy makers, not saying that it has to happen every month, I think quarterly or perhaps every other month. Nevertheless, transportation is no more important than water supply. And frankly has some substantial effects on our communities that need to be dealt with on an ongoing basis by policy makers. And I agree with you completely, obviously you can't set as an individual representative policy for that group without conferring with your body, which is exactly what is supposed to happen with SCTA and it works and has been for years. It's no different. I think the water community, all the engineers, need to recognize that certainly my presence and the presence of other elected officials at these meeting is a demonstration that water is extraordinarily important. Give yourselves the credit to ask for the kind of forum and governance that it merits, and that can happen by having regular policy member meetings.

395 John Rosenblum, Sebastopol: Not to beat a dead horse, but I think I want to go back to where this originated from. There are always several technical options and I think that the idea was that the engineers won't make policy between the options without consulting with the policy level. And hopefully the policy makers won't make technical decisions without consulting with the technical people.

407 Tom Jacobsen: On that or another topic?

410 Joe Gaffney, Rohnert Park: Before we leave the topic of governance, I was hoping we could have a discussion among the electeds on item W, under governance, the alternative voting requirements to amend the agreement or for other WAC authorities.

End of tape 2

21 Tom Jacobsen: Anyone who wants to address that issue?

23 Mark Bramfitt, VOMWD: I feel like I came to a public forum and a WAC meeting broke out. And I don't think all of the WAC members are here, and I think that is a key item for negotiation and I'm not prepared to negotiate that tonight, so my answer is no, I don't think I want to discuss that tonight.



28 Tom Jacobsen: Anyone else?

30 David Keller: I'll put my 2 cents into that one as a member of the public and former council member. When the WAC considers this, I think it is extremely important for the WAC and it's been talked about here, do the contractors decide important issues or is it going to be overwritten by the Board of Supervisors acting as the Board of Directors? I think it's extraordinarily important that the contractors hang together. Your interests do not necessarily coincide with the interests of the Board of Supervisors for the Water Agency. There are clearly times when they differ; there are times when they are parallel. I think if you give up the opportunity to maintain a united front by saying that amendments to the contract can be done by anything less than unanimous vote, you're giving up a tremendous amount of power to the Water Agency. And if you hang together it means you have to hash out the issues, come to consensus, and by doing that you come up with a much stronger position politically, economically and as a group. If you give that up, it allows the opportunity to pit one contractor against another. The nature of the commodity really requires in the long run that you hang together and if that means that there is disagreement within the family, then so be it. The necessity is that you come to consensus and whatever is necessary to do that will serve you far better than by allowing you to cut out a particular contractor.

49 Matt Mullan, Windsor: This is sort of a general comment, directed to the whole group, one of the things I hoped to come out of this workshop was some consensus with the contractors and with the members of the public is the framework issues list that we're talking about this evening has 15 topics and a lot of different discussion under each one of them. Is there consensus with the people that are coming to these workshops that this is comprehensive enough for us to now move forward with this framework issues group as it's proposed, revised etc., and start to move forward into the next phase of this process. That's what I had hoped to come out of the end of this workshop.

65 Brenda Adelman: I'm a little disappointed that there aren't more members of the public here, especially the representatives of the environmental community. I feel this document is very vague, general and weak in terms of environmental assurances. I think in many cases when people talk about water quality in this group they mean the specific water quality of the water that is being delivered and not the overall water quality in the watershed and in the surface waters. I'm concerned there a lot of things going on with other agencies and there doesn't seem to be a lot of interest in this group about what's going on, what other agencies are doing, what they are finding. The temperature issue that came up today was really an important example. I noticed in here the one recommendation is that every five years there be a coming together to look at environmental issues. I think that is very arbitrary and artificial. Issues come up in the now, and there being worked on by various groups and to set an artificial time on this, is not well advised. I'm not saying you have to put a lot of time into discussing watershed issues, but it should be on the table and there needs to be more meaningful wording that addresses some of the key issues that we're facing.

82 Mike Martini: Responding to Mr. Gaffney re item W, I'd also draw your attention to JJ which for lack of a better phrase I refer to as the DeGabriele statement. The City of Santa Rosa is very interested in working cooperatively with all of the contractors and we will meet as often as necessary, and we will try to hash out the problems. However, I do believe that JJ starts to address that, at such time that we cannot proceed unanimously I think this is a compromise of sorts that would allow agencies to proceed maintaining the integrity of the prior agreement, maintaining the entitlements that those contractors have, absorbing all of the costs themselves and then making available the participation of other agencies at a later date to the extent that they are willing to purchase back into it. That's the way that you get your way through that kind of a process. I will hold off on saying the City of Santa Rosa supports it, but I'll hold off and make sure they do.

98 Tom Jacobsen: Anyone before I get to David?

99 David Keller: Once again, Mike, I agree with you. I would like to go to the water quality and gravel mining sections XI and XII. There are some things in here I'm concerned have been left out like item WQa in Attachment C. I'd like to see a statement under water quality saying that. This was substantially supported by the public in the prior workshops, and has been omitted in the framework list, which essentially is saying it's a policy matter for regulatory agencies. Counties Cities and some Districts have waste disposal responsibility. Ultimately you are responsible for supplying safe healthy water to your customers. I think that as a matter of policy, you have to say that the nature of the agreement includes the pursuit of strategies and policies to protect and manage watersheds for potable water supply forever. And a parenthetical or subset on that - so as to reduce the likelihood for a filtration plant and system for your surface water. There is a billion and a half dollar avoidable expense if you track this agreement to mandate that as part of water development strategies and policies, your insisting that that be a core feature which is to protect your water quality and that instructs the Water Agency and all of the other regulatory agencies that that's what you want to do. It makes it very clear that you are not willing to let the water quality upstream go to the point where you will have to turn to your rate payers and say "Sorry, we need a billion and a half dollars out of your pocket." That is a policy statement that needs to be in this agreement. Does it mandate any particular activity? Only if you say it should. I would be happy, and the public has put in its recommendations, in the List of 56, a number of policies and activities that would help do that. For instance on gravel mining, see item K and L under water supply, it says nothing, basically it says continues the policies and practices as they exist now. Well, the burden of proof should be on the gravel mining industry that they are doing no harm, not on the users or contractors to prove that the mining companies are not doing any harm. Shift the burden of proof to them, and frankly, a recommendation as policy within this, that the cost of any aggregate taken out of your aquifer, out of your public trust resource should include payment to the contractors for the cost of lost storage, by losing storage capacity in the aquifer, that storage is refilled every winter for free. And we've lost well over four hundred thousand acre feet of storage from Wohler Bridge up to Ukiah in the past 50 years. And that is a very real cost that you don't want to hit your rate payers with which is peak storage. That peak storage is released during the summer. That's your base flow. The second piece is the filtration functions. Nobody argues that gravel and sand doesn't filter water; it's part of the permit requirement from the Dept of Health Services, so if gravel mining companies continue to pull out that material, that sponge that is your free peak storage and your free filtration system, they should be paying money to the contractors for future replacement of those functions. If the Board of Sups doesn't like that they can tell the gravel miners to get out. But there is a very real cost in terms of loss of water quality or potential loss of water quality and loss of summer storage that is occurring because of gravel mining. And the public has been very clear about this and right now what's recommended in here is nothing. And I think the public is not going to be very happy with that.

154 Terence Garvey: The comment comes up whether we have enough information here to come to some kind of agreement. I believe there is a body that must make the final agreement as to what's to be in this document when it is finished. And there are so many diverse views here, that if everybody needs to be into it, you'll have a document you can't even use. Whoever is now responsible for putting this together, please go ahead make your best judgment and do it. As for governance, I want to make one comment on that. Do not let one contractor stop any agreement that you want to go through. Possibly you'd better go to 2/3 or 70 or 75% approval. David knows Petaluma disagreed on Amendment 11, and it wasn't until there was an election that changed the Council that they did come back and approve it. But if we get into situations where one contractor is stopping this we'll stop dead in the water and everything will cost 5 times more because we don't get to it. So get on with it.

173 Miles Ferris: One of the issues that has bothered me for a long time is gravel mining. And what's bothered me about it is the evidence to support the claims I keep hearing at public meetings which I cannot find. Water quality going back 20 or 30 years hasn't changed. The filter plant issue is not one that is going to be driven by gravel mining, it's going to be driven by the Biological Opinion, which if it says we absolutely can't raise the rubber dam, or we absolutely can't spread water- that's going to drive a filter plant. That is the issue in my opinion and I have not seen any other competent evidence that would tell me

differently. Water storage, that's upstream- it's not where it is. We suck it all right out- it's gone. So if I could see a study that actually showed me something, I'd take it back and jump up and down. I haven't seen that. I've asked a lot of people for it, I have never seen such evidence. Instead I've seen the contrary evidence. I'm not arguing that if you got the evidence. I would be willing to jump up and lead the charge. But what I'm saying is that I need to see the evidence as it really is.

192 Tom Jacobsen: Anyone wish to respond? Or on any other topic.

207 David Keller: Re WQa on Attachment C, "Provide for implementation of aggressive source control of septic systems, farm, economical and soil amendment use, and pharmaceuticals and (intelligible) disrupters."

Those are emerging contaminants as you well know, I posted a link to the report from USGS on the new agreement website re. this issue. Go take a look at the report. They are not regulated at the moment. They will be. And I think it is very important in looking at water quality, not just to say that other agencies can go deal with this, it's not our responsibility as water contractors to deal with it. Because as you know, other public agencies will take their cue from what the nine or ten cities, and SCWA asks them to pay attention to and if you don't ask them to pay attention, the North Coast Regional Board is not the best regulator when it comes to water quality and inflows into the system. So you have to give them the political boost, the legal boost of saying "Yes, we want you to regulate this stuff to the maximum extent possible to preserve our water quality for our customers." So there may not be anything that you have to do exclusively in this contract other than to say that protection of this water source from this list of emerging contaminants and others that will appear, is of utmost importance to you as water suppliers. You make that statement in the contract; it means that if there are choice points that the Water Agency has in the future regarding enforcement, they have the policy directive to pursue that. If you don't put it in there, they can say we were never told to do that, we'll leave to the Regional Board or State Health. And those agencies will say "Why bother?" So it really is an important policy statement that has long ranging implications that you may not necessarily have to execute and have any expense for as contractors, but have importance elsewhere. I would really like to see that kind of a statement put back into the agreement.

250 Lee Harry: Sometimes we don't give the agencies that we're involved with enough credit as far as attaching chief importance to water quality issues. When the report from USGS came out, I contacted the SCWA and they are already in the midst of testing programs in conjunction with other water agencies and universities in the area. And they have sampled extensively on the Russian River and have not found any of these emerging biological or chemical contaminants that were mentioned. David's quite right that we need to be concerned about degradation of our source waters and I think that's one of the key components of any water agency. We do answer to the California Dept. of Health Services and their requirements and the California Regional Water Quality Control Board is ultimately responsible on chemicals that are discharged into the rivers. All of these things have to be put together and whether or not they have to be part of an agreement or it's just what the goal and mission of an agency is, is a matter of interpretation.

267 Chris DeGabriele: David, I just wanted to point out that the framework statement EE says "Water Quality supply is the highest priority and we do support that item WQa, but recognize that today's emerging issue is one thing, what's on the horizon we may not even know about. I'm not sure that we need to try to identify everything. Miles Ferris can tell you that even North Marin was a pain in the ass to Santa Rosa when they were trying to perfect their wastewater disposal system. So we're here all with the same goal, and I think it's reasonably stated throughout the framework issues- I don't think we're here to debate semantics. I just wanted to point out that the contractors do support water quality and its highest priority.

290 David Keller: Chris, I agree, it is there and has been there. I understand that completely. I think it's important to emphasize to the rest of the regulatory universe that there are two ways of addressing water quality. One is through treatment and the other is through protecting of the source itself. It's important to emphasize both. And if there is an explicit statement, I'm certainly flexible on what that statement would look like, but making it explicitly clear in the agreement may be a slight amplification of EE, that says the

source waters and the watershed itself we're looking at maintaining the highest quality water within the watershed and treatment is the second tier.

303 Tom Jacobsen: Anyone else?

309 Ned Orrett: One last point on this, reflecting what I hear from people in the environmental community, what would give some solace maybe are words that express a deep intent to protect this. Things like invoking a thing called the precautionary principle that speaks not only to, I don't know exactly what's going on, we're taking water samples in the river, but upstream all the way to things that affect the minds of people who are doing things in the watershed, changing things at the level of the way we think, way upstream of where effects begin to show up. I don't know if that makes any sense, and I don't know how to express it succinctly. I think it's some deep, supporting care and attention to the way we do things and honor life. Thank you.

325 Chris DeGabriele: I think those might be areas where the policy makers can weigh in on policy statements but certainly the engineers, and I'm speaking for one, I'm not intellectual enough to try and administer that in a contract. We got to try to do what we can do, no disrespect Ned, I think that is something we're looking for maybe the elected officials to espouse those kind of things.

341 John Rosenblum: This morning I attended a meeting where the Santa Clara Valley Water District was trying to engage other agencies and particularly the City of San Jose, to incorporate water quality considerations into their land use planning process. That's the kind of example that I think we're talking about with the precautionary principles. We know as engineers and technical people that if you do certain things to the soil as you are building a building or as the building is operated, it will probably have an affect on the ground water in 20 or 10 years, maybe even 2 years. So thinking about how to incorporate protection upstream, protection into the future there are practical ways of doing it. This was one of them, incorporating water considerations into land use planning. Just an example.

365 Tom Hargis: I'd like to compliment the organizers on finally figuring out a way we can have a dialog. Applause.

372 David Keller: A couple of quick points on section V water supply, G apportioning water during a shortage. I'd like to see that list as a, b and c, not "or" c, so that all of those are implementation strategies and they're not mutually exclusive. Likewise on item J "incorporating provisions in the MOU that recognize and promote development of local standby water projects that reduce demands in peak periods" including groundwater storage without penalty. So if you can figure out a way to do groundwater storage, use up water during the winter, plug it in the ground. That should be incorporated and specifically acknowledged in J. I know there have been concerns that there are penalties against that practice at the moment, even though John doesn't think that is true. I've heard contractors that it's an issue so just specifically mention groundwater storage without penalty as a possibility. That was item J. Add a phrase to the end of J that says "including groundwater storage without penalty."

411 Chris DeGabriele: Then I want you to add "including surface water without penalty". I think we start wordsmithing and we'll leave something out. The broader we are in these framework issues I think the better off we'll be.

End of Tape 3

421 David Keller: That's fine with me, as long as definition in J is explicitly including ground and surface water and it is not in contention by anybody. It's fine with me. I don't care if its not said as long as its understood (background noise) Well there have been arguments I've heard in the past about where it stands at the moment so maybe it needs to be made explicit. That is the only reason I proposed it. If everybody

agrees that those are what the terms mean, maybe there's a glossary or index to this that explains terms so that it is absolutely clear, not for us, but for somebody in 10, 20, 30 years who is trying to figure out what we are doing.

25 John Nelson: The MOU does define it, and it does include groundwater projects, in fact they are the main focus, and local surface water projects, as Chris knows.

28 John Nelson: And early on, when the question came up, I believe David raised this too, on the MOU regarding whether conservation efforts required were temporary or not, and Lee answered that contractors are in concert that conservation would be continuous. That's exactly what the MOU provisions deal with – that is BMPs as a basic standard and the contractors in their deliberations are also, at this point, accepting the BMPs as a basic standard.

33 Tom Jacobsen: Anyone else on any topic?

34 David Keller: I think this is a substantial improvement over where the last amendments have been and it's a very good tribute to the work that's being done. There isn't always agreement but how else do we get here? I just want to clarify - is the intent that this be a completely new and comprehensive water supply master agreement or is it still in the form of an amendment to the existing? (Several contractors in the audience responded that it was to be a new agreement.) So, it is brand new and replaces all prior? Great. I agree with that and thank you.

42 Tom Jacobsen: Anyone else? Okay, we want to thank you for coming. A report summarizing this workshop will be prepared and made available.

End of tape 4.